

BEFORE
THE PUBLIC SERVICE COMMISSION OF
SOUTH CAROLINA
DOCKET NO. 92-032-C - ORDER NO. 94-407 ✓✓
MAY 4, 1994

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| IN RE: Application of Trans National Communica- |) | ORDER |
| tions, Inc. DBA Members' Long Distance |) | APPROVING |
| Advantage for a Certificate of Public |) | CORRECTION |
| Convenience and Necessity to Operate as a |) | |
| Reseller of Telecommunications Services |) | |
| within the State of South Carolina. |) | |

This matter comes before the Public Service Commission of South Carolina (the Commission) on the Petition of Trans National Communications, Inc. DBA Members' Long Distance Advantage (Trans National or the Company) to correct its tariff as filed with the Commission. John Vancura, Tax and Regulatory Manager of the Company, filed his sworn testimony with this Commission, subsequent to the indication by the Consumer Advocate for the State of South Carolina (the Consumer Advocate) that he would not participate in any hearing on this matter.

Vancura stated that in this proceeding, Trans National seeks permission to correct the tariff which it filed on August 25, 1992. This was Trans National's initial intrastate tariff filed as a result of this Commission's certification of Trans National as a reseller of telecommunications services by Order No. 92-582, issued on July 23, 1992 in this Docket. In that Order, the Commission approved a rate designed for Trans National which

included maximum rate levels for each tariff charge. In filing its tariff, however, Trans National misapprehended the application of the maximum rate levels structure, and filed one set of rates which were approved by the Commission as Trans National's maximum rates. In fact, Trans National intended for the rates it filed to be its current price list. Trans National now seeks to correct this error by filing maximum rates at the level of those of the dominant carrier, American Telephone and Telegraph (AT&T). According to Vancura, this will provide Trans National the benefits of the maximum rate structure enjoyed by its competitors.

On July 5, 1993, Vancura states that he submitted on behalf of Trans National, three revised tariff pages amending Trans National's tariff to effect small increases in certain of its 1+ Dial-Up Service rates and Calling Card Service rates. In response to that filing, Vancura was informed by the Commission's Staff that the changes proposed exceeded Trans National's approved maximum rates. It was at this point Vancura states that he realized that the rates the Company had initially intended as the price list had been approved as the Company's maximum rates. Vancura also states that the submission of increased rates in July of 1993 was caused by increases in the rates charged to Trans National by its underlying carrier, US Sprint.

Vancura states that the inability of Trans National to change its rates as contemplated by the maximum rates structure causes Trans National hardship in at least two significant ways. First, Trans National was unable to pass on increases by its underlying

carrier. Second, Trans National stated that its inability to have the price flexibility to compete in the market place for interexchange services is a severe hardship. Trans National, according to Vancura, needs to have the flexibility to raise and lower its rates in order to meet market conditions.

According to Vancura, Trans National is asking to establish maximum rates set at the level of the maximum rates of AT&T. Vancura believes that this is appropriate, since AT&T remains the dominant interexchange carrier.

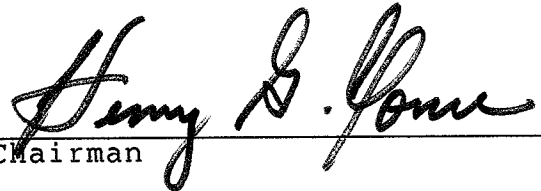
The Commission has considered this matter and believes that Trans National is making a reasonable request, considering the intent of the Commission, and the use of the maximum rate schedule system. We also believe that Trans National should be allowed to fix its maximum rates at AT&T's current maximum rates based on the reasoning as stated in Vancura's testimony above.

IT IS THEREFORE ORDERED THAT:

1. Trans National shall hereby be allowed to correct its tariff by filing a maximum schedule of rates equivalent to AT&T's maximum rates and a current price list.

2. That this Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:


Chairman

ATTEST:


Executive Director

(SEAL)